

1 IN THE UNITED STATES DISTRICT COURT
2 FOR THE DISTRICT OF SOUTH CAROLINA
3 CHARLESTON DIVISION

4 UNITED STATES OF AMERICA :
5 :
6 vs. :
7 :
8 BLAIR WITKOWSKI : 9:10 - CR - 817

9 :
10 Plea in the above-captioned matter held on
11 Monday, September 27, 2010, commencing at 3:40 p.m.,
12 before the Hon. Sol Blatt, Jr., in the United States
13 Courthouse, Courtroom III, 81 Meeting St., Charleston,
14 South Carolina, 29401.

15 :
16 :
17 :
18 :
19 :
20 :
21 :
22 :
23 :
24 :
25 :

APPEARANCES:

RHETT DeHART, ESQUIRE, Office of the
U.S. Attorney, P.O. Box 978, Charleston, SC,
appeared for the Government.

EDWARD BART DANIEL, ESQUIRE, P.O. Box 856,
Charleston, SC, appeared for Defendant.

REPORTED BY DEBRA L. POTOCKI, RMR, RDR, CRR
Official Court Reporter for the U.S. District Court
P.O. Box 835
Charleston, SC 29402
843/723-2208

1 MR. DeHART: May it please the Court, Your Honor, the
2 Government would call the case of United States of America
3 versus Blair Witkowski, Criminal No. 9:10-817. Your Honor, we
4 call this case for purposes of a plea to an information. The
5 defendant is present and is represented by Bart Daniel.

6 Your Honor, there's a written plea agreement and a waiver
7 of indictment form.

8 (Brief interruption in proceedings.)

9 THE COURT: I notice this plea agreement is not
10 dated. I put in the 27th of -- dated at the end, but not in
11 the beginning. Is it all right with the Government and with
12 the defendant if I fill in September 27th?

13 MR. DeHART: Yes, sir, I'm sorry, we should have
14 written that on top. That would be great, Judge.

15 THE COURT: Is that all right with the defendant?

16 MR. DANIEL: Yes, Your Honor.

17 THE COURT: All right, Mr. Daniel, you and the
18 defendant come around, please.

19 MR. DANIEL: Yes, Your Honor.

20 THE CLERK: State your name for the record.

21 THE DEFENDANT: Blair Witkowski.

22 THE COURT: Mr. Witkowski, how old are you, sir?

23 THE DEFENDANT: Thirty-five.

24 THE COURT: What kind of educational background do
25 you have?

1 THE DEFENDANT: Partial college.

2 THE COURT: Are you under the care of any doctor for
3 any mental or emotional problems at this time?

4 THE DEFENDANT: No, Your Honor.

5 THE COURT: Are you taking any kind of medication
6 that might interfere with your thinking processes?

7 THE DEFENDANT: No, sir.

8 THE COURT: You fully understand what's going on here
9 today?

10 THE DEFENDANT: I do, Your Honor.

11 THE COURT: Now, Mr. Daniel, I assume, has been
12 retained to represent you? Is that correct?

13 THE DEFENDANT: Yes, sir.

14 THE COURT: Are you fully satisfied with his services
15 to date?

16 THE DEFENDANT: Yes, sir.

17 THE COURT: Has he explained this information to
18 which you propose to plead, been over it with you in detail?

19 THE DEFENDANT: Yes, he has, Your Honor.

20 THE COURT: Do you fully understand what's in it?

21 THE DEFENDANT: I do.

22 THE COURT: Now, under our law, nobody can ever be
23 brought into this Court until the grand jury -- under normal
24 circumstances, until a grand jury has passed upon the facts of
25 the case and found that there was probable cause to believe

1 they may have violated the law. You can't come in here, the
2 Government can't bring you in here without having your case
3 presented to a grand jury, unless you waive that case being
4 presented to a grand jury, and agree to be proceeded against
5 by what we call an information, which is prepared by the
6 United States Attorney rather than the grand jury.

7 Has Mr. Daniel explained that to you?

8 THE DEFENDANT: Yes, Your Honor.

9 THE COURT: And I see that you've signed an agreement
10 to be proceeded against by way of information rather than have
11 your case presented to a grand jury, is that correct?

12 THE DEFENDANT: Yes, Your Honor.

13 THE COURT: Now, you are charged in this indictment
14 that from about 2005 through 2008, you were a mortgage loan
15 officer at the Carolina First Bank in Hilton Head, and that
16 you conspired with others to submit fraudulent financial
17 statements regarding loan applications and mortgages, and all
18 the data that goes along with borrowing money on mortgages, in
19 order to defraud the bank and other institutions.

20 Do you want me to -- You say Mr. Daniel has been over this
21 information with you in detail. Do you want me to go over it
22 any further, or do you fully understand what's in it?

23 THE DEFENDANT: I fully understand.

24 THE COURT: Before I can accept your plea of guilty
25 there are a number of questions I'm going to have to ask you

1 to be sure that you are, in fact, guilty, and that your plea
2 is knowingly and voluntarily made. Do you understand that if
3 you didn't plead guilty, you'd be entitled to a trial by jury
4 in this courtroom in the very near future?

5 THE DEFENDANT: Yes, Your Honor.

6 THE COURT: And at such a trial you'd come into court
7 presumed to be innocent, and the Government would have to
8 prove you guilty beyond a reasonable doubt.

9 And at such a trial, in order to do that, the Government
10 would have to put up witnesses to testify against you. And
11 you, through your attorney, could ask those witnesses any
12 questions that were relevant and appropriate.

13 At the same time, you could present witnesses, if you
14 cared to do so, and you could testify, if you cared to do so,
15 in your behalf. On the other hand, if you didn't feel it was
16 in your best interests to testify or present evidence or
17 witnesses, you wouldn't have to. And I'd tell the jury that
18 they couldn't get any inference of your guilt because you
19 didn't testify or put up witnesses, because you don't have
20 anything to prove. It's the Government's got to prove you
21 guilty beyond a reasonable doubt.

22 Do you understand that?

23 THE DEFENDANT: Yes, Your Honor.

24 THE COURT: Now, I'm sure Mr. Daniel has been over
25 our Sentencing Guidelines with you. I'm not speaking about

1 the Sentencing Guidelines right now, I'm talking about the
2 statutory penalty for what you're pleading guilty to. And in
3 this Court's discretion, you could be sentenced to a maximum
4 term imprisonment of 30 years, a maximum fine of \$1 million,
5 supervised release for five years, and a special assessment of
6 \$100.

7 Now, by supervised release I mean after you serve any time
8 of incarceration that you might be sentenced to, that you'll
9 be under the jurisdiction of the probation officer for five
10 years. And he would tell you what the terms and conditions of
11 your supervised release were, and as long as you lived up to
12 them, everything would be fine. But if you violated the terms
13 and conditions of your supervised release, then he could bring
14 you back before the Court, ask the Court to revoke your
15 supervised release. If the Court did that, you'd be sentenced
16 to a maximum of another three to five years, and you wouldn't
17 get any credit for the time you'd been on supervised release,
18 which begins when you're released from the institution.

19 You wouldn't get credit for that time. And if what you
20 did come back for violated the law, you'd have that penalty on
21 top of the other one.

22 So supervised release will be an important factor in your
23 life. You understand that?

24 THE DEFENDANT: Yes, sir.

25 THE COURT: I have no reason to think that --

1 Mr. Daniel does this all the time -- he hasn't explained the
2 guidelines and how we sentence, tell you exactly right, but
3 I'm going to run over them with you just to be sure.

4 Assuming I accept your plea here today, then the probation
5 officer will begin an investigation of your background
6 primarily, or criminal background, any criminal history that
7 you've got, your activities in this particular case, and come
8 back with a presentence report, which, among other things,
9 will trace your history from date of birth till now. Now,
10 he'll recommend to the Court a minimum and a maximum sentence
11 to be imposed upon you.

12 Now, I don't have any idea what your guideline range is;
13 first time I've seen your case. I don't have any idea what
14 your guideline range would be. So I'm just going to pick
15 something out of the air so we'll have something to talk
16 about.

17 Let's say he came back -- keep in mind, I have no idea
18 what it is. But let's say the probation officer came back and
19 said your guideline range was 18 to 24 months. That would
20 mean that under normal conditions I'd sentence you to a
21 minimum -- under the guidelines, taking just minimum
22 consideration -- to a minimum of 18 months and a maximum of
23 24.

24 Now, under certain circumstances, if I thought the
25 guidelines overstated the seriousness of your offense, I could

1 go below the 24; if I thought the guidelines understated the
2 seriousness of your offense, I could go above the 24. But
3 normally under the guidelines I found your sentence would be
4 somewhere between that 18 to 24 months, if that happened to be
5 your guideline range.

6 Now, when the presentence report comes back, if you and
7 Mr. Daniel are not satisfied with something that's in it, he
8 could go to the probation officer and try to work out any
9 difference they had. But when they do that, they bring it to
10 me and I'd decide it. And then if you weren't happy with what
11 I did, you could appeal my ruling to the Fourth Circuit Court
12 of Appeals. Now, the Government's got the same right. If
13 they're not satisfied, they try to work out the differences.
14 If they can't, then they bring it to me and I'll settle it.
15 And if they're not satisfied with what I do, they've got the
16 same right of appeal that you have.

17 Now, keep in mind several things. First of all, I'm sure
18 you and Mr. Daniel have talked about your guideline range and
19 the other sentencing factors and what kind of sentence you
20 might get. But the Court hasn't been any party to any of
21 that, and neither has the probation officer. So while I have
22 no reason to think he hasn't told you exactly correct, that --
23 if the presentence report comes back with a higher guideline
24 recommendation than you anticipated, you couldn't tell me,
25 well, my attorney told me my guideline range was going to be

1 less than that and you can't go above it. I haven't been a
2 party to any of that conversation, so I'm not bound by it.
3 I'm not saying that's going to happen, but I'm not bound by
4 that, any conversation you had with your attorney or maybe
5 your attorney has had with the United States Attorney, because
6 I haven't been a party to it.

7 Another important factor is that you need to tell
8 Mr. Daniel the truth about your whole life's history. Because
9 if you have done something else that you didn't tell him
10 about, the probation officer will pick it up when he starts
11 reviewing your past, and whatever he finds something, that may
12 double your guideline range. And you couldn't come back and
13 say, well, my attorney told me my guideline range is 18 to 24,
14 and here it is 50 to 75. That wouldn't be helpful to you,
15 because if you had told him the truth, he'd have told you what
16 your guideline range is. So it's important to be truthful
17 with your attorney.

18 Now, when we establish your guidelines, after we discuss
19 them and go over them, if you have any objection to what the
20 probation officer finds, then I look at Section 3553 of the
21 Criminal Code of laws of the United States. And that section
22 tells me that in considering a sentence, I should establish
23 your guideline range, have it before me, and that I should
24 also consider your case as an individual case, not what
25 somebody else might have gotten for what they did, or not what

1 somebody else might get or anybody else's situation. I look
2 at your situation, your situation alone. You bring the bad
3 and the good with you. If you have a good background, you
4 bring that to court with you. If you've got a bad background,
5 it comes into court with you, too. And I consider that
6 factor, your own individual situation.

7 Then that statute directs me to give you a punishment to
8 punish you in accordance with what you have done, keeping in
9 mind that the punishment should be one that hopefully would
10 deter others similarly situated from committing the same kind
11 of crime, and a sentence that would maintain the confidence
12 that the public has in the judicial system.

13 So I put those factors from Section 3553 and meld them in
14 with your guideline range, and that's how I arrive at a
15 sentence for you. And that's the way the sentencing is done.

16 Now, you've entered into this plea agreement with the
17 Government to plead guilty to these charges.

18 Did anybody threaten you or force you or do anything to
19 make you plead guilty?

20 THE DEFENDANT: No, Your Honor.

21 THE COURT: You and the Government have agreed that
22 you're going to plead guilty, and that you entered into an
23 agreement to commit bank fraud, and that you participated in
24 that agreement, and that some act was committed to further
25 that agreement by you or one of the -- somebody else who is

1 acting along with you, conspiring with you.

2 Now, I've already told you what the statutory penalty was.

3 Now, you agree to give to the United States Attorney any
4 financial information that they want from you, and you agree
5 to make restitution in an amount to be determined at a time
6 for sentencing, and to pay this. If you can't pay it at one
7 time, you can pay it along as best you can.

8 Now, you say in here that you realize that while I might
9 listen to your attorney and the Government, that the
10 sentencing is entirely left to the Court. And that anything
11 that anybody else has told you is just a prediction, it's not
12 something -- because I haven't discussed the case with one
13 soul.

14 And you agree that if the probation officer comes in with
15 a higher guideline range than you expected, and convinces me
16 by the greater weight of the evidence that he's right, you
17 can -- Mr. Daniel can protest it, and even the United States
18 Attorney could disagree with it. But you agree that if I'm
19 convinced it's correct, then I have a right to go up higher
20 than you thought you were going to get.

21 Now, of course, any obligations that the Government has,
22 any benefits in this plea agreement to you are dependent on
23 you being truthful with the Government, and carrying out all
24 the terms of this agreement. Because if you failed to do so,
25 the Government can just back out of it, but you can't. You

1 can't withdraw your guilty plea.

2 And speaking of that, you can't next week say, you know, I
3 wish I hadn't pled guilty, or next month, and come in and say
4 I think I'll go down there and withdraw my guilty plea. You
5 can't do that. Once I accept it, there's nothing left to do
6 except get the presentence report and to sentence you. Of
7 course, you'll have ample hearing at that time.

8 Now, you agree to be truthful and tell the Government and
9 any law enforcement officer, state, federal, local, whoever it
10 might be, any information about any criminal activity, not
11 just this, not just this you were involved in, but any
12 criminal activity you know about. You don't agree to make up
13 something on somebody just because it might help the
14 Government; all you do is agree to be truthful about any
15 criminal information you know anything about. You agree to
16 give the Government any papers or books that you have that
17 they may want. You agree to testify before any grand jury
18 which is investigating criminal activity, or any petty jury
19 which is prosecuting -- before whom somebody is being
20 prosecuted; you agree to testify truthfully --

21 THE DEFENDANT: Yes, Your Honor.

22 THE COURT: -- before both of those groups, tell them
23 anything you know.

24 Now, as long as you do, that fine. If you don't, then, as
25 I said, the Government can back out of this, but you can't.

1 Now, it's really important that you be truthful and
2 carry out the terms of this agreement. Because if you don't,
3 the Government can get out of it and recommend that you be
4 sentenced to a maximum security institution, given the maximum
5 sentence, and prosecute you for any other crimes that they
6 might be able to find that you committed.

7 And one thing they could do that they normally couldn't do
8 under any circumstances; if, in being truthful with them, you
9 tell them about some other criminal activity in which you
10 participated that they knew nothing about, they can't
11 prosecute you for that, because you would be making evidence
12 against yourself. However, if you do do that, tell them
13 something they didn't know, but at the same time tell them
14 something else that's not truthful, they can even go back and
15 prosecute you for that crime they knew nothing about until you
16 told them. You waive any rights you have.

17 Now, the Government agrees if you cooperate with them as
18 you've agreed to do, that at sentencing or thereafter they'll
19 move the Court for what we call a downward departure, they'll
20 ask that your sentence be lowered. But keep in mind that it
21 makes no difference how hard Mr. Daniel may argue or how hard
22 the United States Attorney may argue, that whether to grant
23 you a downward departure is left solely to my discretion, so
24 long as I realize I've got that discretion, and I do realize
25 it. I'm not indicating this would happen, but after hearing

1 everybody, if I should say, well, I'm sorry, I just can't -- I
2 just can't -- he's a bad fellow and I can't do that, there's
3 no place to appeal my finding. No place. You'll just be
4 bound by it. I'm not saying that's going to happen, but
5 that's something that could happen.

6 Now, you also realize that since you're pleading guilty to
7 an offense that involves dishonesty and fraud, that you can't
8 participate directly or indirectly in any affairs of any
9 federally-insured bank or credit union, and you can't serve as
10 a director or officer, employee, agent, stockholder of any
11 other institution that's federally insured in any way.

12 And you agree that you and Mr. -- as we said before, you
13 and Mr. Daniel have been over this whole case against you, all
14 the charges against you that you pled guilty to or are
15 pleading guilty to. And that you're fully satisfied with his
16 services, and that this is after consulting with him and
17 giving it due consideration, that you are the one that's
18 pleading guilty to this, and you're doing it willingly and
19 voluntarily. And you agree that what we've been over is all
20 the promises.

21 Has anybody made any other promise to you to get you to
22 plead guilty, except what we've talked about?

23 THE DEFENDANT: No, sir.

24 THE COURT: Now, the United States Attorney is going
25 to tell me what you did, and I want you to listen carefully.

1 Because when he gets through, I'm going to ask you,
2 Mr. Witkowski, is what he said substantially true and correct.
3 If it is, you tell me it is; if it's not, you tell me it's not
4 and why it isn't.

5 If y'all would step over that way.

6 MR. DeHART: Judge Blatt, these facts are a little
7 bit lengthy, so if it pleases the Court, bear with me, it's
8 kind of a long charge.

9 But, Your Honor, Blair Witkowski is a former loan officer
10 at Carolina First Bank in Hilton Head. And from 2005 to 2008,
11 he conspired with others to commit bank fraud.

12 Your Honor, there are two basic separate but related
13 phases of the case. In phase one, Witkowski approved numerous
14 construction loans for the construction of residential houses
15 in Bluffton, in Beaufort, South Carolina.

16 The two owners of the construction company and Witkowski
17 structured some unusual loan agreements for spec houses.
18 Judge, a spec house is a house that is built without a buyer
19 in place.

20 In order to obtain financing for these homes, the
21 construction company promised investors that it would pay them
22 ten percent of the loan amount, and make the mortgage payments
23 for a year, if the investors obtained construction loans for
24 the homes. And under this deal, when the homes were sold, the
25 construction company would reap the profits. Your Honor, as a

1 practical matter, the construction company was paying to use
2 the individual investors' credit to finance the construction
3 of these spec homes.

4 The investors were referred to Mr. Witkowski to obtain the
5 loans, and the investors provided him their financial
6 information and a power of attorney.

7 In order for the investor to afford multiple mortgages,
8 Witkowski inflated their income and their assets on the loan
9 applications. For example, if an investor made \$200,000 per
10 year, Witkowski would state on the loan application that the
11 investor made \$450,000 a year. All the investors were
12 interviewed, and they all said they were not aware that
13 Witkowski made these false statements on their loan
14 applications.

15 Judge Blatt, unfortunately, the deals did not go as
16 planned. The investors rarely got ten percent of the loan
17 amount, as promised. The construction was usually overbudget
18 and behind schedule. And some of the homes were not sold
19 within one year.

20 Your Honor, when the houses were not sold, the investors
21 realized that they were responsible for the mortgage payments,
22 because their name was on the mortgage.

23 Your Honor, at that point some investors threatened
24 litigation, and this led to the second phase of the
25 conspiracy.

1 In phase two, Witkowski realized that his false statement
2 on the mortgage applications would be exposed, if the homes
3 were not sold. Your Honor, his father owned a real estate
4 company in New Jersey. And Witkowski conspired with his
5 father and others in New Jersey to flip the houses in Beaufort
6 to straw buyers. Excuse me. In Bluffton, Your Honor.

7 Judge, inflated appraisals were key to the fraud. For
8 example, if a home was worth \$500,000, Witkowski and others
9 would arrange for a straw buyer to buy it for \$750,000. And
10 under the scheme, Your Honor, the original mortgage would be
11 paid off, and Witkowski and his co-conspirators would use the
12 extra \$250,000 to pay the straw purchaser to set aside money
13 for mortgage payments for a limited period of time and then to
14 embezzle the rest of the money.

15 And in the second phase, Your Honor, the sale to the
16 buyers in New Jersey, Witkowski made even more egregious false
17 statements on these loan applications. For example, he
18 approved a loan for a part-time teacher in New Jersey who made
19 \$18,000 a year, but he stated in the loan application that she
20 made \$14,000 per month. These straw purchasers in New Jersey
21 were paid between 200,000 -- excuse me -- between 20,000 and
22 \$100,000 for their role in the fraud.

23 Judge, there were less than 30 houses involved in the
24 conspiracy, but the loss to the bank is approximately
25 \$5 million. The parties have stipulated under the Sentencing

1 Guidelines that the loss amount is more than \$2.5 million, but
2 less than \$7 million, for purposes of the guidelines.

3 Your Honor, the homes were built at the height of the real
4 estate market in 2005 to 2008, and they were sold at inflated
5 prices. And after the straw buyers abandoned the mortgages,
6 the homes were sold in foreclosure in a depressed market for
7 large losses.

8 Witkowski received approximately \$500,000 in kickbacks, in
9 addition to his salary and commission for his role in the
10 fraudulent loan.

11 To his credit, he has cooperated extensively with the U.S.
12 attorney's office in South Carolina and New Jersey, and the
13 U.S. attorney's office in New Jersey is prosecuting at least
14 five of Witkowski's co-conspirators there, based on his
15 cooperation, including his father.

16 THE COURT: Anybody being prosecuted down here?

17 MR. DeHART: Your Honor, the investigation is ongoing
18 here, and it is near completion in New Jersey.

19 THE COURT: All right, sir. Mr. Witkowski, you heard
20 what the United States Attorney told me. Is what he told me
21 substantially true and correct?

22 MR. DANIEL: Your Honor, as to phase one with all the
23 illegalities that occurred, it is most certainly substantially
24 correct.

25 As to phase two --

1 THE COURT: Wait a minute. Let's go back now.

2 What's wrong with phase one?

3 MR. DANIEL: No, we agree fully with everything that
4 Mr. DeHart described in phase one.

5 THE COURT: Is that correct, Mr. Witkowski?

6 THE DEFENDANT: Yes, Your Honor.

7 THE COURT: All right, go ahead.

8 MR. DANIEL: Your Honor, there are many facts in what
9 he described as phase two, that we do not agree with, we take
10 issue with. We understand it was certainly an illegality, Mr.
11 Witkowski does, but he takes issue with many of the facts that
12 were stated in phase two.

13 THE COURT: Is there any of the facts that go to his
14 guilt or innocence?

15 MR. DANIEL: Well, not overall, Your Honor, because
16 phase one is all crimes in itself, and that's what he's
17 charged with. But most of it in phase two is probably
18 correct, but just some of the facts. But I would say overall
19 it would still give rise to criminal conduct in phase two as
20 well.

21 THE COURT: Do you agree with that, Mr. Witkowski?

22 THE DEFENDANT: Yes, Your Honor.

23 THE COURT: All right. Based on that, Mr. Daniel, do
24 you know of any reason I shouldn't accept his plea of guilty
25 to this charge?

1 MR. DANIEL: No, Your Honor.

2 THE COURT: Do you know of any, Mr. United States
3 Attorney?

4 MR. DeHART: No, Your Honor, I would note for the
5 record, Judge, there's also a forfeiture allegation at the end
6 of the information, that I don't believe that Mr. Witkowski --

7 THE COURT: No, I didn't.

8 MR. DeHART: Yes, sir, just for the record, it was
9 filed thereto --

10 THE COURT: Just a minute. Mr. Witkowski, you also
11 agree that all of this property, any property that you have
12 got that came directly or indirectly or in any way connected,
13 just part of it was connected in any way to these transactions
14 that the Government has listed, you agree to forfeit all of
15 this property or any proceeds that the Government can put
16 their hands on, and up to \$6,000,764.52. And you agree that
17 if the Government can't find that much money, that any other
18 property that you have up to that amount, that you forfeit it
19 all to the Government. In other words, all your property that
20 is gotten through any of this, any of these transactions or
21 any other property, you agree to forfeit to the Government to
22 be applied on this debt. You understand that?

23 THE DEFENDANT: Yes, Your Honor.

24 THE COURT: Is that correct, Mr. United States
25 Attorney?

1 MR. DeHART: That's correct, sir.

2 THE COURT: Mr. Daniel?

3 MR. DANIEL: Yes, sir.

4 THE COURT: All right, sir. Now, I see he's on bond.

5 MR. DANIEL: He hasn't been yet, Your Honor, but I
6 think they're considering an unsecured bond, Your Honor, with
7 the courts.

8 THE COURT: That's right, because he hasn't been
9 arraigned. Well, I'm going to send you -- let you find out --
10 Mr. Probation officer, find out if there's a magistrate here.

11 PROBATION OFFICER: Your Honor, Magistrate Judge
12 Marchant is available this afternoon.

13 THE COURT: I'm going to let you go to the
14 magistrate, who will set bond. And he's -- When is this
15 information dated?

16 MR. DeHART: Judge Blatt?

17 THE COURT: How long has he been out since he was --

18 MR. DeHART: Judge Blatt, if it pleases the Court,
19 Your Honor --

20 THE COURT: I can't hear you.

21 MR. DeHART: Your Honor, if it pleases the Court,
22 forgive me, Judge, this is Mr. Witkowski's first court
23 hearing, because he waived indictment.

24 THE COURT: Yes, sir, I understand that. I said
25 somebody has got to set a bond for him.

1 MR. DeHART: Yes, sir. What I was going to add, if
2 it please the Court, we'll do what Your Honor wants. But he
3 has no prior record; we're going to recommend a PR bond.

4 THE COURT: I agree, that I think I was going to tell
5 Mr. Daniel to go find a magistrate and tell the magistrate I
6 said he ought to be given a bond, and let him set his bond. I
7 just like the magistrate to set the bond.

8 MR. DeHART: Okay.

9 THE COURT: You say that -- if there's one here now,
10 you say there's one here. So then you just go and find one
11 here so you don't have to spend the night in jail.

12 MR. DANIEL: All right.

13 THE COURT: Mr. Witkowski, when the presentence
14 report's prepared and you and Mr. Daniel have been over it and
15 you've had an opportunity to earn your downward departure,
16 then we'll get you back for sentencing.

17 All right. Good luck to you.

18

19 (Court adjourned at 4:19 p.m.)

20

21

22

23

24

25

1 REPORTER'S CERTIFICATION

2
3 I, Debra L. Potocki, RMR, RDR, CRR, Official Court
4 Reporter for the United States District Court for the District
5 of South Carolina, hereby certify that the foregoing is a true
6 and correct transcript of the stenographically recorded above
7 proceedings.

8
9
10 S/Debra L. Potocki

11 _____
12 Debra L. Potocki, RMR, RDR, CRR
13
14
15
16
17
18
19
20
21
22
23
24
25